

## **310-P MEDICAL EQUIPMENT, MEDICAL APPLIANCES AND MEDICAL SUPPLIES**

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### **I. PURPOSE**

This Policy applies to AHCCCS Complete Care (ACC), ALTCS/EPD, DCS/CMDP (CMDP), DES/DDD (DDD), and RBHA Contractors, Fee-For-Service (FFS) Providers and FFS Programs as delineated within this Policy including: AIHP and Tribal ALTCS, and all FFS populations, excluding Federal Emergency Services (FES) (For FES, see AMPM Chapter 1100). The purpose of this Policy is to outline requirements for coverage of medically necessary medical equipment, appliances and medical supplies. Medical equipment and appliances are often referred to as Durable Medical Equipment (DME).

### **II. DEFINITIONS**

#### **MEDICAL EQUIPMENT AND APPLIANCES**

For purposes of this Policy, the term “medical equipment” refers to both medical equipment and appliances.

Any item, appliance, or piece of equipment (pursuant to 42 CFR 440.70) that is not a prosthetic or orthotic, and

1. Is customarily used to serve a medical purpose, and is generally not useful to a person in the absence of an illness, disability, or injury,
2. Can withstand repeated use, and
3. Can be reusable by others or removable.

#### **MEDICAL SUPPLIES**

Supplies are health care related items that are consumable or disposable, or cannot withstand repeated use by more than one individual, that are required to address an individual medical disability, illness or injury [42 CFR 440.70].

#### **SETTING IN WHICH NORMAL LIFE ACTIVITIES TAKE PLACE**

A setting other than a hospital, nursing facility, intermediate care facility for individuals with intellectual disabilities or any setting in which payment is or could be made under Medicaid for inpatient services that include room and board.

**III. POLICY****A. COVERAGE GUIDELINES**

1. AHCCCS covers medically necessary medical equipment and medical supplies (including incontinence briefs), under the home health services benefit, that are suitable for use in any setting in which normal life activities take place, as delineated within this Policy, when the following conditions are met:
  - a. Provided at the member's place of residence,
  - b. Ordered by the member's physician as a part of the plan of care and is reviewed by the physician annually,
  - c. Authorized as required by AHCCCS, Contractor, or Contractor's designee, and
  - d. Face-To-Face encounter requirements for the FFS Programs are followed and documented as prescribed in this Policy.
2. Medical equipment and medical supplies cannot be limited to members who are homebound.
3. Other related Policy Requirements:
  - a. Home Health Services for ALTCS, refer to AMPM Policy 1240-G,
  - b. Occupational, Physical and Speech Therapies, refer to AMPM Policy 310-X,
  - c. Rehabilitative Therapies for ALTCS, refer to AMPM Policy 1250-E,
  - d. Orthotic and Prosthetic Devices, refer to AMPM Policy 310-JJ,
  - e. FFS Prior Authorization Requirements, refer to AMPM Policy 820, and
  - f. Institutional Services and Settings, refer to AMPM Policy 1210.
4. Examples of medically necessary medical supplies and medical equipment are:
  - a. Medical supplies, such as incontinence briefs, surgical dressings, splints, casts and other consumable items, which are not reusable, and are designed specifically to meet a medical purpose, and
  - b. Medical equipment, such as wheelchairs, walkers, hospital beds, and other durable items that are rented or purchased.

**B. COVERAGE DETERMINATIONS**

1. Coverage of medical equipment is not restricted to the items covered as durable medical equipment in the Medicare program. Coverage of medical equipment and supplies cannot be contingent upon the member needing nursing or therapy services.
2. For FFS and Tribal ALTCS, refer to AMPM Policy 820 for prior authorization.
3. Contractors shall make timely determinations of coverage. Contractors shall not refuse to render a timely determination based on the member's dual eligibility status or the providers' contract status with the Contractor.

4. The following shall be used in determining coverage of medical equipment and medical supplies:
  - a. Services shall be determined to be medically necessary, cost effective, and federally and state reimbursable,
  - b. Services shall be provided at the member's place of residence and on the member's physician's orders as part of a plan of care, and
  - c. The member's need for medical equipment and supplies shall be reviewed by a physician annually. The frequency of further physician review for the member's continuing need for services is determined on a case by case basis based on the nature of the prescribed item.
5. Services shall be authorized, set up, and maintained to maximize the member's independence and functional level in the most appropriate setting in which normal activities take place other than a hospital, nursing facility, ICFIID, or any other setting in which payment is or could be made under Medicaid for inpatient services that include room and board.
6. Contractors shall ensure the provider network includes a choice of vendors for customized medical equipment and corrective appliances for members with special healthcare needs. Contractors shall include, in the contract with the vendor, timeliness standards for creation, repair and delivery of customized equipment and appliances. Contractors shall monitor the standards and take action when the vendor is found to be out of compliance.
7. Medical equipment may be purchased or rented only when there are no reasonable alternative resources from which the medically necessary medical equipment can be obtained at no cost. Additionally, the total expense of rental cannot exceed the purchase price of the item.
8. Rental fees shall terminate no later than the end of the month in which the member no longer needs the medical equipment, or when the member is no longer eligible or enrolled with a Contractor, except during transitions as specified by the AHCCCS Chief Medical Officer or designee.
9. Reasonable repairs or adjustment of purchased medical equipment are covered when necessary to make the equipment serviceable and when the cost of the repair is less than the cost of rental or purchase of another unit.

#### **C. FACE-TO-FACE ENCOUNTER REQUIREMENTS**

1. Face-to-Face encounter requirements apply to FFS only.
2. For initiation of medical equipment and supplies, a face-to-face encounter between the member and practitioner that relates to the primary reason the member requires the medical equipment and/or supplies is required within no more than six months prior to the start of services.

3. The face-to-face encounter shall be conducted by one of the following:
  - a. The ordering physician,
  - b. A nurse practitioner or clinical nurse specialist working in collaboration with the physician in accordance with state law,
  - c. A physician assistant under the supervision of the ordering physician, or
  - d. For members admitted to home health immediately after an acute or post-acute stay, the attending acute or post-acute physician.
4. The non physician practitioner specified above who performs the face-to-face encounter shall communicate the clinical findings of the face-to-face encounter to the ordering physician.
5. The clinical findings shall be incorporated into a written or electronic document in the member's record.

Regardless of which practitioner performs the face-to-face encounter related to the primary reason that the member requires medical equipment and/or supplies, the physician responsible for ordering the medical equipment and/or supplies shall document the practitioner who conducted the encounter, the date of the encounter, and that the face-to-face encounter occurred within the required timeframes.

The face-to-face encounter may occur through telehealth.

Face-to-face encounter requirements apply for the initiation of services only. An additional face-to-face encounter is only required if a new medical equipment, supply or appliance is needed. Renewals, repairs, and the need for ancillary equipment do not require a face-to-face encounter.

#### **D. INCONTINENCE BRIEFS**

1. Incontinence Briefs for Members 21 years of age and older

Incontinence briefs, including pull-ups and incontinence pads, are covered when necessary to treat a medical condition. Contractors may require prior authorization. For ALTCS members 21 years of age and older, incontinence briefs, including pull-ups and incontinence pads, are also covered as specified in A.A.C. R9-28-202 in order to prevent skin breakdown when all the following are met:

- a. The member is incontinent due to a documented medical condition that causes incontinence of bowel and/or bladder,
- b. The PCP or attending physician has issued a prescription ordering the incontinence briefs,
- c. Incontinence briefs – including pull-ups and incontinence pads – do not exceed 180 in any combination per month, unless the prescribing physician presents evidence of medical necessity for more than 180 per month,
- d. The member obtains incontinence briefs from vendors within the Contractor's network, and

- e. Prior authorization has been obtained if required by the Administration, Contractor, or Contractor's designee, as appropriate. Contractors shall not require a new prior authorization to be issued more frequently than every 12 months.
- 2. Incontinence Briefs for Members under the Age of 21 Years
  - a. AHCCCS covers incontinence briefs when necessary to treat a medical condition.
  - b. In addition, AHCCCS also covers incontinence briefs for preventative purposes for members over the age of three and under 21 years of age as described in AMPM Policy 430 and A.A.C. R9-22-212.

#### **E. LIMITATIONS**

- 1. Except for incontinence briefs as specified in this Policy, personal care items including items for personal cleanliness, body hygiene, and grooming are not covered unless needed to treat a medical condition.
- 2. First aid supplies are not covered unless they are provided in accordance with a prescription.